

[By Jim Puzzanghera, Los Angeles Times](#)

Looking for new ways to help plug the leaky job market, President Obama pressed Congress to provide money to homeowners to improve energy efficiency -- and the economy -- by replacing doors, caulking windows and padding their attics with more insulation.

Obama admitted that the "idea may not be very glamorous" but declared Tuesday that he found insulation "sexy." Lawmakers also are getting excited by the concept, which they said could help create badly needed jobs for the beleaguered building trades.

Some supporters have dubbed the program "cash for caulkers" because it would use direct government incentives to consumers to spur economic activity, similar in some respects to the popular "cash for clunkers" rebates that sparked a surge in auto sales last summer.

Under one proposal being considered by House Democratic leaders, \$20 billion from February's economic stimulus package would be used to offer incentives of \$1,000 to more than \$3,000 for people to apply to projects that improve the energy efficiency of their homes. About 5 million homes could be retrofitted under the program, saving homeowners a total of \$3.3 billion annually on energy bills, supporters said.

"Here's what's sexy about it: saving money," Obama said at a Home Depot store in Alexandria, Va., as he stood in front of rolls of pink fiberglass insulation.

"If you saw \$20 bills just sort of floating through the window up into the atmosphere, you'd try to figure out how you were going to keep that," he said. "But that's exactly what's happening because of the lack of efficiency in our buildings."

The idea is simple, he said: The incentives would increase consumer spending, helping create jobs at retailers such as Home Depot and for contractors who would do the weatherization work. The program also would help consumers save on their heating and electricity bills as well,

saving on the nation's energy use.

Australia launched a similar program aimed at retrofitting 2.9 million homes that it projects will create 4,000 jobs.

"It makes sense because it's a win-win-win," said Rep. Peter Welch (D-Vt.), who proposed such a program last winter. "Our U.S. manufacturers are the ones that produce about 85% of the product. It's our local contractors that do 100% of the work."

Welch's proposal was included in climate change legislation passed by the House this year that would take effect in 2012. The Senate has not acted on that legislation. But Welch and other lawmakers recently have begun pushing to offer weatherization incentives immediately as a way to create 600,000 to 850,000 new jobs.

Former President Clinton and Silicon Valley venture capitalist John Doerr also have been promoting versions of such a program. Environmental groups, labor unions and construction industry groups support the concept, along with building supply dealers and manufacturers.

"This is the kind of thinking that is going to get America back to work -- and make a big difference in many homeowners' monthly utility bills," said Joe Robson, chairman of the National Assn. of Home Builders.

Lane Wesley Burt, manager of building energy policy for the Natural Resources Defense Council, said the program could be set up as a government rebate administered by certified contractors that would shave the money from a homeowner's bill when the work was completed. The contractor then would apply to the government for reimbursement of the incentive, similar to how auto dealers administered cash-for-clunkers rebates.

But auto dealers complained about balky government computer systems and slow reimbursements with that program. And some Republicans are critical of a cash-for-clunkers program. They said the cash-for-clunkers program paid money mostly to people who intended to buy cars anyway and argued that \$5 billion in weatherization funds in the \$787-billion

economic stimulus package passed in February hasn't helped reduce unemployment.

Obama said the new weatherization program is among several "strategic surgical steps" he is pushing to help create jobs as the unemployment rate remains at 10% despite a return to economic growth after the deep recession. He sketched those ideas in a speech last week and added more detail to the cash-for-caulkers concept Tuesday.

Obama was joined at the event by Frank Blake, chief executive of Home Depot, and Michael Thaman, chief executive of insulation-maker Owens Corning, as well as workers from the Laborers' International Union of North America. Obama said Owens Corning had seen an increase in exports of insulation to Australia because of that country's weatherization incentive program.

Thaman said afterward that he could not quantify the increase but said he would expect to see growth in the U.S. as well for its domestically produced insulation.

"We believe if there were a direct incentive to homeowners to improve the energy efficiency of their homes, that would result in a nice uptick in demand for insulation. And obviously we think that's both good policy and good for Owens Corning," Thaman said.

He said homeowners usually prefer to invest in home improvements that are more visible to friends and neighbors, such as new windows. But with government incentives, many could be lured into adding insulation, which is a simple way to improve energy efficiency.

"That emotional attachment to insulation just isn't here, yet it's critically important to the country," Thaman said.

Obama said that homes built in the first half of the 20th century can use about 50% more energy than those built today. Much of the energy is lost through leaky roofs and windows.

Making homes more energy efficient not only helps the environment but also helps homeowners save money and boosts the economy, he said.

"We're going to create . . . so many business opportunities for contractors here that over the course of the next several years, people are going to see this, I think, as an extraordinary opportunity," he said. "And it's going to help America turn the corner when it comes to energy use."